

NOVEMBER 13, 1990

THE DIRECTOR OF THE DIVISION OF STATE LANDS & FORESTRY TOOK FORMAL ACTION ON NOVEMBER 13, 1990, AT 9:30 A.M. IN THE DIVISION OF STATE LANDS & FORESTRY OFFICE, 355 WEST NORTH TEMPLE, 3 TRIAD CENTER, SUITE 400, SALT LAKE CITY, UTAH 84180-1204, ON THE BELOW LISTED MINERAL AND SURFACE BUSINESS MATTERS AS INDICATED.

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METALLIFEROUS MINERAL LEASE APPLICATIONS - APPROVED

Upon recommendation of Mr. Mansfield, the Director approved the Metalliferous Minerals lease applications listed below at a rental of \$1.00 per acre per annum; royalty as provided in the lease form approved by the Board of State Lands. The applications have been checked by the Mineral Division and found to be in order. The land status has been examined and the lands found to be open and available. The reassessment date for these leases is December 1, 2000.

<u>Min. Lease Appl. No. 45108</u> Basin & Range Exploration International LTD/Dotson Exploration Inc. 10 West Broadway Suite 701 Clift Building Salt Lake City UT 84101	<u>T29S, R14W, SLB&amp;M</u> Sec. 2: All	Beaver 727.52 acres
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<u>Min. Lease Appl. No. 45110</u> Centurion Mines Corporation 285 West North Temple Suite 350 Salt Lake City UT 84103	<u>T19S, R17W, SLB&amp;M</u> Sec. 36: All	Millard 640.00 acres
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<u>Min. Lease Appl. No. 45111</u> Centurion Mines Corporation 285 West North Temple Suite 350 Salt Lake City UT 84103	<u>T20S, R17W, SLB&amp;M</u> Sec. 2: All	Millard 639.92 acres
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<u>Min. Lease Appl. No. 45112</u> Centurion Mines Corporation 285 West North Temple Suite 350 Salt Lake City UT 84103	<u>T18S, R16W, SLB&amp;M</u> Sec. 36: All	Millard 640.00 acres
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PAGE NO. TWO  
NOVEMBER 13, 1990

METALLIFEROUS MINERAL LEASE APPLICATIONS - APPROVED (cont.)

<u>Min. Lease Appl. No. 45113</u> Centurion Mines Corporation 285 West North Temple Suite 350 Salt Lake City UT 84103	<u>T19S, R16W, SLB&amp;M</u> Sec. 2: All	Millard 641.28 acres
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<u>Min. Lease Appl. No. 45114</u> Centurion Mines Corporation 285 West North Temple Suite 350 Salt Lake City UT 84103	<u>T21S, R15W, SLB&amp;M</u> Sec. 16: All	Millard 640.00 acres
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<u>Min. Lease Appl. No. 45115</u> Centurion Mines Corporation 285 West North Temple Suite 350 Salt Lake City UT 84103	<u>T20S, R15W, SLB&amp;M</u> Sec. 32: All	Millard 640.00 acres
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BUILDING STONE AND LIMESTONE LEASE APPLICATIONS - APPROVED

Upon recommendation of Mr. Mansfield, the Director approved the Building Stone and Limestone lease applications listed below at a rental of \$1.00 per acre per annum; royalty as provided in the lease form approved by the Board of State Lands. The applications have been checked by the Mineral Division and found to be in order. The land status has been examined and the lands found to be open and available. The reassessment date for these leases is December 1, 2000.

<u>Min. Lease Appl. No. 45105</u> Wesley Peterson Carroll Everson P.O. Box 55 Hinckley UT 84635	<u>T13S, R20W, SLB&amp;M</u> Sec. 36: All	Juab 189.48 acres
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<u>Min. Lease Appl. No. 45107</u> D. Keith Steele 725 North 300 East Nephi UT 84648	<u>T23S, R13W, SLB&amp;M</u> Sec. 2: SE $\frac{1}{4}$ SW $\frac{1}{4}$	Millard 40.00 acres
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<u>Min. Lease Appl. No. 45109</u> Feller Holding Corporation 1051 North 1100 West St. George UT 84770	<u>T43S, R13E, SLB&amp;M</u> Sec. 21: E $\frac{1}{2}$ SE $\frac{1}{4}$	Washington 80.00 acres
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PAGE NO. THREE  
NOVEMBER 13, 1990

TOTAL ASSIGNMENT --OIL, GAS, AND HYDROCARBON LEASE

Upon recommendation of Mr. Bonner, the Director approved the assignment of the Oil, Gas, and Hydrocarbon lease listed below to Alta Energy Corporation, 415 West Wall, Suite 1810, Midland, TX 79701, by D. Miller, executed by Chevron U.S.A. Inc., Attorney-in-Fact. No override, but subject to 2.5% overriding royalty previously reserved. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: D. MILLER  
(CHEVRON U.S.A. INC.--ATTORNEY-IN-FACT FOR  
D. MILLER)

....ML 2534....

INTEREST ASSIGNMENTS--OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Mr. Bonner, the Director approved the assignment of 50% interest in and to the Oil, Gas, and Hydrocarbon lease listed below to Thermal Exploration, Inc., P.O. Box 1869, Seattle, WA 98111, by Union Texas Development Corporation. No override.

LEASE OWNERSHIP: UNION TEXAS DEVELOPMENT CORPORATION--50%,  
THERMAL EXPLORATION, INC.--25%, AND  
SIERRA ENERGY COMPANY--25%

....ML 41236....ML 41239....ML 41240....ML 41241....ML 41242....ML 41251....  
....ML 41252....

OPERATING RIGHTS ASSIGNMENTS--OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Mr. Bonner, the Director approved the assignment of 100% interest in operating rights below 11,085 feet in and to the Oil, Gas, and Hydrocarbon lease listed below to Alta Energy Corporation, 415 West Wall, Suite 1810, Midland, TX 79701, by Chevron U.S.A. Inc. No override, but subject to 6% overriding royalty previously reserved. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: CHEVRON U.S.A. INC.

....ML 21181....

OPERATING RIGHTS ASSIGNMENTS--OIL, GAS, AND HYDROCARBON LEASES (cont.)

Upon recommendation of Mr. Bonner, the Director approved the assignment of 40% interest in operating rights from the surface to the stratigraphic equivalent of 6,900 feet in part of leased lands: Lots 1-5, 7, 8, NE $\frac{1}{4}$ SE $\frac{1}{4}$ , SW $\frac{1}{4}$ SE $\frac{1}{4}$ , SE $\frac{1}{4}$ NE $\frac{1}{4}$ , W $\frac{1}{2}$ NW $\frac{1}{4}$  Sec. 36, T6S, R21E, SLB&M., in and to the Oil, Gas, and Hydrocarbon lease listed below to Alta Energy Corporation, 415 West Wall, Suite 1810, Midland, TX 79701, by Chevron U.S.A. Inc. No override.

LEASE OWNERSHIP: CHEVRON U.S.A. INC.  
OPERATING RIGHTS: From the surface to the stratigraphic equivalent of the depth drilled 6,900 feet, with respect to the Horseshoe Bend 36-1  
T6S, R21E, SLB&M.  
Sec. 36: SW $\frac{1}{4}$ SE $\frac{1}{4}$ , NE $\frac{1}{4}$ SE $\frac{1}{4}$ , SE $\frac{1}{4}$ NE $\frac{1}{4}$   
CHEVRON U.S.A. INC.--40%,  
ALTA ENERGY CORPORATION--22.03326%,  
HYDROCARBON ENERGY, INC. 1984-A--12%,  
ALTA COMMONWEALTH, LTD. II--11.19174%,  
W.C. DEARMAN--6%,  
WAYNE STEAD--3.75%,  
PETROLEUM TECHNICAL SERVICES CO.--1.875%,  
NOLAN SCHNEIDER--.75%,  
CHARLOTTE B. ROMANO--.6%,  
LARRY J. BELL--.6%,  
UNITED PIPE AND SUPPLY, INC.--.6%,  
JOHN INGRAM--.3%, AND  
H. LEE JONES--.3%  
T6S, R21E, SLB&M.  
Sec. 36: Lots 3, 4, W $\frac{1}{2}$ NW $\frac{1}{4}$   
ALTA ENERGY CORPORATION--54%,  
CHEVRON U.S.A. INC.--40%, AND  
W.C. DEARMAN--6%  
T6S, R21E, SLB&M.  
Sec. 36: Lots 1, 2, 5, 7, 8  
ALTA ENERGY CORPORATION--60%, AND  
CHEVRON U.S.A. INC.--40%

....ML 33225....

Upon recommendation of Mr. Bonner, the Director approved the assignment of 100% interest in operating rights below 6,900 feet in and to the Oil, Gas, and Hydrocarbon lease listed below to Alta Energy Corporation, 415 West Wall, Suite 1810, Midland, TX 79701, by Chevron U.S.A. Inc. No override.

LEASE OWNERSHIP: CHEVRON U.S.A. INC.

....ML 33225....

PAGE NO. FIVE  
NOVEMBER 13, 1990

OVERRIDING ROYALTY ASSIGNMENT -- OIL, GAS, AND HYDROCARBON LEASES

Upon recommendation of Mr. Bonner, the Director approved the assignment of 5% overriding royalty interest from the surface to 11,085 feet in and to the Oil, Gas, and Hydrocarbon Lease listed below to Alta Energy Corporation, 415 West Wall, Suite 1810, Midland, TX 79701, by Chevron U.S.A. Inc. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: CHEVRON U.S.A. INC.

....ML 21181....

Upon recommendation of Mr. Bonner, the Director approved the assignment of 12.5% overriding royalty interest from the surface to the stratigraphic equivalent of the depth drilled, 6,900 feet in part of leased lands: SE $\frac{1}{4}$ SE $\frac{1}{4}$  Sec. 36, T6S, R21E, SLB&M., in and to the Oil, Gas, and Hydrocarbon Lease listed below to Alta Energy Corporation, 415 West Wall, Suite 1810, Midland, TX 79701, by Chevron U.S.A. Inc. The State assumes no responsibility in collecting or distributing overriding royalty.

LEASE OWNERSHIP: CHEVRON U.S.A. INC.  
OPERATING RIGHTS: From the surface to the stratigraphic equivalent of the depth drilled, 6,900 feet, with respect to the Horseshoe Bend 36-1  
T6S, R21E, SLB&M.  
Sec. 36: SE $\frac{1}{4}$ SE $\frac{1}{4}$   
ALTA ENERGY CORPORATION--25.6221%,  
HYDROCARBON ENERGY, INC., 1984-I--20%,  
ALTA-COMMONWEALTH LTD.II--18.6529%,  
MAMMOTH '84--12.6%,  
W.C. DEARMAN--10%,  
WAYNE STEAD--6.25%,  
PETROLEUM TECHNICAL SERVICES CO.--3.125%,  
NOLAN SCHNEIDER--1.25%,  
UNITED PIPE AND SUPPLY, INC.--1%,  
LARRY J. BELL--1%, AND  
JOHN INGRAM--.5%  
OVERRIDING ROYALTY: CHEVRON U.S.A. INC.-12.5%

....ML 33225....

PAGE NO. SIX  
NOVEMBER 13, 1990

APPROVAL OF THE RANGE CREEK II UNIT

Chevron U.S.A., Operator of the Range Creek II Unit, has furnished this office with evidence that this unit was approved by the Bureau of Land Management on September 27, 1989.

The records of the following leases should be noted to show this approval:

ML 34268	Chevron USA Inc.
ML 38634	Chevron USA Inc.
ML 44439	Chevron USA Inc.
ML 44522	Chevron USA Inc.
ML 44523	Chevron USA Inc.

Upon recommendation of Mr. Bonner, the Director noted the approval of the Range Creek II Unit by the Bureau of Land Management on September 27, 1989.

TERMINATION OF THE PINTO UNIT

Samedan Oil Corporation, operator of the Pinto Unit, has furnished this office with evidence that this unit was terminated by the Bureau of Land Management on May 1, 1990.

The records of the following lease should be noted to show the termination of this unit:

ML 28427	Samedan Oil Corporation, et al
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The terms of this lease will be extended to May 1, 1992 by the termination of this unit.

Upon recommendation of Mr. Bonner, the Director noted the termination of the Pinto Unit by the Bureau of Land Management on May 1, 1990.

NAME CHANGE--ROBERT M. BASS GROUP, INC. TO KEYSTONE, INC.  
ML 41782, ML 42469, ML 42580, ML 42823, ML 43080, AND ML 44236--  
OIL, GAS, AND HYDROCARBON

This office has received evidence that effective October 1, 1990, Robert M. Bass Group, Inc. changed its name to Keystone, Inc.

I recommend that this above name change from Robert M. Bass Group, Inc. to Keystone, Inc. be noted in the records of ML 41782, ML 42469, ML 42580, ML 42823, ML 43080, and ML 44236.

Upon recommendation of Mr. Bonner, the Director approved the above captioned name change.

PAGE NO. SEVEN  
NOVEMBER 13, 1990

PARTIAL RELINQUISHMENT, ML 42997 METALLIFEROUS MINERALS

Richard Claus, lessee of the lease listed above has filed a partial relinquishment of the lease. The relinquished lands should be removed from the lease and offered for lease of Metalliferous Minerals through the Division's simultaneous filing procedures.

RETAINED LANDS:

ML 42997	<u>T31S, R11E, SLB&amp;M</u>	Garfield
	Sec. 32: N½	320.00 acres

RELINQUISHED LANDS:

ML 42997	<u>T31S, R11E, SLB&amp;M</u>	Garfield
	Sec. 32: S½	320.00 acres

Upon recommendation of Mr. Bonner, the Director approved the partial relinquishment of ML 42997.

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SURFACE BUSINESS MATTERS

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SULA'S

EXPIRATION OF SPECIAL USE LEASE NO. 680

The above referenced Special Use Lease, issued to the Finance and Accounting Officer, U.S. Army, Dugway Proving Grounds, Dugway, Utah 84022-5000, expired on June 30, 1990. Lessee was notified of the expiration date by mail on June 12, 1990, and again on September 12, 1990, and was given the opportunity to negotiate a new lease. No response was received from the army.

Upon recommendation of Mr. Tripp, the Director approved the expiration of SULA 680.

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PAGE NO. EIGHT  
NOVEMBER 13, 1990

CANCELLED MINERAL LEASES

<u>NAME</u>	<u>ACCOUNT NO.</u>	<u>TYPE</u>
Deca Energy Corp.	ML 41568	OGH
Deca Energy Corp.	ML 41569	OGH
Exxon Company USA et al	ML 41656	OGH
Exxon Company USA et al	ML 41659	OGH
Edgar S. Twining	ML 41672-C	OGH
William Bown	ML 42516	BS
Shell Western E&P Inc.	ML 43543	OGH
Shell Western E&P Inc.	ML 43544	OGH
Myers W. Lockard	ML 43582	OGH
James T. Crowder	ML 43598	MM
Robert A. Henrie	ML 44145	MM
Earl F. Gross	ML 44152	MM
John Harris	ML 44463	GS
Blackbird Mining Company	ML 44588	OGH
GeoScout Land & Title Co.	ML 44589	MM

Upon recommendation of Mr. Johnson, the Director approved the cancellation of the above captioned leases.

CANCELLED MINERAL PERMIT

<u>NAME</u>	<u>ACCOUNT NO.</u>	<u>COUNTY</u>
Breck Parry	MP 89	Washington

Upon recommendation of Mr. Johnson, the Director approved the cancellation of MP 89.

CANCELLED SPECIAL USE LEASE

<u>NAME</u>	<u>ACCOUNT NO.</u>	<u>COUNTY</u>
Telestar	SULA 671	Millard

Upon recommendation of Mr. Johnson, the Director approved the cancellation of SULA 671.



PAGE NO. NINE  
NOVEMBER 13, 1990

REFUND REQUESTED

Atlas Corporation - Republic Plaza - 370 Seventeenth Street, Suite 3150 - Denver, CO 80202 is requesting a refund in the amount of \$320.00 from lease ML 43096. This represents a duplicate payment of 1990 rental. The Land Department of Atlas Corp. asks that the check be payable to Atlas Precious Metals Inc. and mailed to the attention of Jean A. Chavez.

Upon recommendation of Mr. Johnson, the Director approved the above captioned refund in the amount of \$320.00 to Atlas Corp.

<u>INTEREST RATE</u>	<u>CURRENT YEAR</u>	<u>YEAR AGO</u>
Base Rate	10.00	10.50

  
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RICHARD J. MITCHELL, DIRECTOR  
DIVISION OF STATE LANDS/FORESTRY

  
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LESLIE M. WARNER, RECORDS SUPERVISOR

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PAGE NO. 9